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Subject: Stakeholder Briefing Draft California Water Plan Update 2003

October 14, 2003

#### Dear Jonas:

I want to thank you for the opportunity to review the Stakeholder Briefing Draft in advance of our upcoming Advisory Committee meeting of the 17th. I must commend you and the staff for generally improving the readability of the report from earlier drafts. Additionally, I believe that the tension between the focus of the report on Calfed and the greater responsibility of DWR in a State wide role have been mostly rectified. However, I believe there are still areas of major concern and areas for improvement. I have reviewed the above referenced draft and would like to offer some suggested changes and some observations, which I believe may improve the document.

My comments are presented by section of the report.

#### **Executive Summary-**

Page 3, second bullet. It is not clear if the purpose of these investments is to provide 3-5 million acre feet of "new" water or to reallocate existing resources to alternate uses. Please clarify.

Page 3, third bullet. The estimates provided for water use efficiency and recycling appear overly optimistic to me. Also the actual uses to which recycled water may be used are more limited than other water sources. It seems that there should be at least a tempering of the claimed water which can be provided in this paragraph.

Page 4, Investment Guide Table. I assume the High Implementation Confidence transfer water includes the Imperial/QSA water? Also it would seem that system reoperation should be moved into the "high" category, especially given the projected benefits estimated from the Napa Proposition, in recent weeks. I also suggest that it may be prudent to note that the relative financial circumstances of the State may make it impossible to provide funding to some of the strategies described. That is, without state funds it may be that some of the "High" confidence items drop down, as they depend upon state subsidies, while others may rise as they do not. The relationship of subsidies to these categories is important, but is not apparent in the graph.

I also have concerns that this Table will be the only portion of the report some members of the Legislature may read. It is <u>not</u> a complete story. Further, it does not provide recognition of the local and regional opportunities for some of the strategies that are not in the High Implementation Confidence category.

Page 5, fourth paragraph. I still believe there is strong stakeholder concern in some portions of the agricultural caucus, as well as other areas of the Advisory Committee, that depending heavily on additional transfers - that is more than those that are presently recognized - has raised rifts in an otherwise broad consensus for transfers as a strategy. Additionally, the Plan (Vol. 1, Chapter 5, page 190) suggests that when transfer proposals lead to disputes between local agencies that State and Federal agencies would step in to mediate is of grave concern. In almost all cases these agencies are actively pursuing and even funding transfers. Therefore, it is somewhat disconcerting (from a local perspective) that DWR or the Bureau (for example) who's motive is to move more water, would serve as a "neutral" arbiter in such disputes. While there is no disagreement that state involvement in the QSA process increased pressure on local interests to pursue the transfer, there are clearly those in the local area from which the water is coming (Imperial County) who have significant concerns that the transfer best served their interests.

Page 6. I believe the proposed funding mix should provide some state assistance with local and regional discretion in pursuing specific investment strategies unique to that region. For example, in the Mountain Counties area, the reoperation of existing facilities has a much higher potential for achievable benefits than most of the Plan's identified "High Implementation Confidence" items.

### Vol. 1, Chapter 1

Page 4. The Urban Water Use Efficiency estimates are provided solely by the Pacific Institute. While I believe the Institute has highly qualified personnel, I also have noted that their water management "philosophy" is one of "soft path" only. Indeed one representative of the Pacific Institute has repeatedly claimed in Advisory Council meetings that there <u>is</u> no water shortage in the state, there is simply a reallocation problem.

I do not believe it is prudent to based an assumption for between 1.5 and 2.0 MAF upon just one study by the Institute. At a minimum the plan should identify "fall back" resources if anticipated gains are not as real as the predictions. At the present time, I fear if the representative of the Pacific Institute will be right and we will be reallocating water - away from agriculture to meet our needs.

Page 5. I found some curious claimed benefits in the chart on this page. Examples are; 1). altered conveyance may actually reduce groundwater overdraft in some areas but lead to more of it in some areas, 2). altered conveyance does not provide environmental benefits if it withdraws the water <u>out</u> of the watershed (EBMUD, CCSF), 3) increased pumping (as a component of delta conveyance) will actually consume more energy - not reduce it, 4). off-stream surface reservoirs may be net consumers of energy not producers, 5). Ecosystem restoration in some areas actually reduces water quality (flooding delta islands and creation of additional wetlands are just two), 6). water transfers do not create new supply they simply reallocate shortages, 7). Water transfers that

move consumers off of their surface water and onto groundwater (to facilitate the transfer) actually may reduce the water quality for drinking water in some upstream areas (forced to use ground water wells), 8). Watershed management can actually reduce pollution.

Page 6. I would suggest the following changes in the table:

Conveyance in Mountain Counties should go from B to A (improving old open ditches and wooden flumes).

Ecosystem Restoration in Mountain Counties is generally a change to <u>less</u> water for consumptive purposes. Change from a B to a C.

Flood Plain Management in Mountain Counties. Most of these areas don't have flood plains due to the constricting nature of the stream channels. Change from a B to a C.

System Reoperation in Mountain Counties. Change from a B to an A. The reoperation of existing hydro facilities has a very high potential of providing additional water supplies compared to other management strategies.

Page 7, seventh paragraph. Delete the words "off-stream". I believe the questions raised are identical for on-stream as well.

Page 9, second to last paragraph. Insert the word "Calfed" between the words "five" and "surface" (water storage reservoirs).

Page 11, second paragraph. I suggest there are also concerns about the increasing role of transfers as a "source" of water and that if that strategy is pursued too stridently it will lead to significant problems in water management.

#### Volume 1, Chapter 2

Page 6, second paragraph. Please add, "Many counties also regulate ground water resources within their boundaries."

Page 10, first paragraph. Please add, "The <u>Baldwin v. Tehama</u> decision affirmed the authority of counties to regulate ground water resources within their boundaries."

## Volume 1, Chapter 3

Page 39, first ground water bullet. I do not believe that the state would foster this increased use. Rather there <u>would be</u> increased use, probably due to local cooperative watershed and integrated resource plans.

Page 59, final paragraph. What are the ramifications if the "considerable resources" are not available? It seems prudent to spell this out in some manner.

### Volume 1, Chapter 4

Page 2, second paragraph. Change sentence as follows

"Export area water users came to realize...". This change recognizes that not all water users depend upon increased imported supplies.

Page 6, final paragraph. In the first sentence change "restoring" to "managing". In some cases Watershed Management activities are an attempt to stabilize degradation to restoration. Management also reflects a broader, more comprehensive response to resource needs than restoration, which is just one component of management.

Final sentence, change "native ecology" (I don't even know what this is) to simply "ecosystem".

Page 7, third paragraph. Change "...making around watershed issues..." to "...making around watershed resources...".

## Volume 1, Chapter 5

Page 2, final sentence. Delete "off stream". The questions are not specific to off-stream configurations of surface water storage proposals.

Page 3, first sentence add, "...and other water users."

Page 26, second paragraph. Item #3 in this paragraph is an unfair characterization. It implies that county ordinances may be <u>inconsistent</u> with local water agency plans but does not recognize that the legal requirement of a county ordinance is to be consistent with the <u>county's</u> General Plan. In addition, the sentence only focuses on those counties who do not encompass and entire ground water basin. In fact, many local water agencies do not overly the entire ground water basin either. In just as many cases it is the County which has the broader geographic as well as political area of authority. Please rectify.

Page 38. There is no recommendation regarding how to deal with interregional points of contention. Is this an oversight or intentional?

Page 65, first paragraph. Watershed Management should be added to this paragraph.

Page 71, first paragraph. The discussion of need for "environmental flows" should include a statement of the need to balance environmental requirements with those for human needs. Could you please define the term "...healthy river requirements...". In the present form the reader is left to imagine what this may be.

Page 131, final paragraph, final sentence change as follows. "...economy and serve often increasing..." to "...economy and serve often increasing...". I don't know of any areas in the state with decreasing populations with the exception (perhaps) of the City and County of San Francisco and a very few isolated areas.

Page 135, second bullet item. I am unsure that any authority was ever given for State Agencies to apply Calfed Solution Principles to areas outside the Calfed Bay-Delta Program solution area. However, if this is proposed in this plan, <u>how</u> would those principles be applied to areas with no similarities to the Bay-Delta and those principles? Please clarify intentions and methodology.

Page 189 item #3. Item #3 in this paragraph is an unfair characterization. It implies that county ordinances may be <u>inconsistent</u> with local water agency plans but does not recognize that the legal requirement of a county ordinance is to be consistent with the <u>county's</u> General Plan. In addition, the sentence only focuses on those counties who do not encompass and entire ground water basin. In fact, many local water agencies do not overly the entire ground water basin either. In just as many cases it is the County which has the broader geographic as well as political area of authority. Please rectify.

Page 190, third bullet. I am unclear what role and motives state and federal agencies would have in resolving potential conflicts. It should be recognized that some state agencies may indeed have conflicting agendas with regards to the management of a local resource than the local agency(ies) and the local government. I suggest the potential problems this recommendation could cause be recognized and this recommendation changed, or deleted.

# Volume 1, Chapter 6

Page 1, first bullet. I am dismayed to see that in this portion of the report there are no plans to fund any so-called "low confidence" strategies. Does the reference on page 8 indicate that funding is to be allocated? You must understand that additional surface storage (local/non-Calfed) may be the only option for some areas of the state to achieve new water supplies. By this proposal as written there would be no state resources available to even assist with reconnaissance level feasibility studies. I urge you to include some funding levels for these "low confidence" level approaches.

Page 3, third bullet. Please add Mono Lake and Owens Valley to this list of high priority areas.

Page 12, next to last bullet. Please add "...and watershed management efforts..." to this sentence.

I offer whatever services I can to work with you and your staff on improving the plan to a degree that it will be useful and effective to achieving the objective at hand.

If you have any questions please do not hesitate to contact me at your convenience. I thank you for taking the time in your demanding and busy schedule to hear my concerns.

Sincerely,

John S. Mills